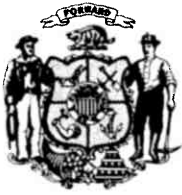


02/25/2013

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2013 ASSEMBLY BILL 40



February 20, 2013 – Introduced by JOINT COMMITTEE ON FINANCE, by request of Governor Scott Walker. Referred to Joint Committee on Finance. Referred to Joint Survey Committee on Tax Exemptions. Referred to Joint Survey Committee on Retirement Systems.

- 1 **AN ACT relating to:** state finances and appropriations, constituting the
2 executive budget act of the 2013 legislature.

Analysis by the Legislative Reference Bureau

INTRODUCTION

This bill is the “executive budget bill” under section 16.47 (1) of the statutes. It contains the governor’s recommendations for appropriations for the 2013–2015 fiscal biennium.

The bill repeals and recreates the appropriation schedule in chapter 20 of the statutes, thereby setting the appropriation levels for the 2013–2015 fiscal biennium. The descriptions that follow relate to the most significant changes in the law that are proposed in the bill. In most cases, changes in the amounts of existing spending authority and changes in the amounts of bonding authority under existing bonding programs are not discussed.

For additional information concerning this bill, see the Department of Administration’s publication *Budget in Brief* and the executive budget books, the Legislative Fiscal Bureau’s summary document, and the Legislative Reference Bureau’s drafting files, which contain separate drafts on each policy item. In most cases, the policy item drafts contain a more detailed analysis than is printed with this bill.

GUIDE TO THE BILL

As is the case for all other bills, the sections of the budget bill that affect statutes are organized in ascending numerical order of the statutes affected.

ASSEMBLY BILL 40

employee who falsely claims that he or she does not use tobacco products. During 2014 and 2015, the surcharge is \$50 a month. The bill further provides that the premium surcharges paid by annuitants who use tobacco products are be used to reduce future health care coverage premiums for annuitants and to reimburse DETF for costs incurred by DETF in providing health care coverage to annuitants.

WRS is established as a governmental plan and as a qualified plan for federal income tax purposes under the Internal Revenue Code (IRC). Under current law, no WRS benefit plan may be administered in a manner that violates a provision of the IRC that authorizes or regulates the benefit plan or that would cause an otherwise tax exempt benefit to become taxable under the IRC. This bill updates and conforms numerous provisions governing WRS benefits and the administration of the WRS to the IRC.

The bill requires the secretary of employee trust funds to submit an annual report to the secretary of administration and JCF on DETF's progress in modernizing its business processes and integrating its information technology systems.

The bill further provides that, during the 2013–15 fiscal biennium, the secretary of employee trust funds may request the governor to supplement any sum certain appropriation from the public employee trust fund for the purpose of modernizing business processes or integrating information technology systems of DETF. Upon receiving such a request, the governor may approve or modify the request and must notify JCF of the proposed action under JCF's passive review process.

The bill provides that, during the 2013–15 fiscal biennium, the secretary of employee trust funds may request the governor to create or abolish a full-time equivalent position or portion thereof that is funded from revenues deposited in the public employee trust fund if the employee holding the position would perform duties relating to modernizing business processes or integrating information technology systems. Upon receiving such a request, the governor may approve or modify the request. If the governor proposes to approve or modify the request, the governor must notify JCF of the proposed action under passive review.

This bill permits DETF to disclose information concerning the payment of annuities under WRS to DOR for the purposes of administering the payment of state taxes; collecting debts owed to DOR; locating WRS participants, or the assets of WRS participants, who have failed to file tax returns, underreported their taxable income, or who are delinquent debtors; identifying fraudulent tax returns and credit claims; or providing information for tax-related prosecutions.

SAFETY AND PROFESSIONAL SERVICES**BUILDINGS AND SAFETY**

Under current law, most persons who act as construction contractors must be registered by DSPS. This bill repeals this registration requirement.

Under current law, DSPS has various duties and powers relating to regulation of petroleum products and hazardous substances, including:

ASSEMBLY BILL 40**SECTION 9445**

1 (1) INTRASTATE MOTOR CARRIERS. The treatment of sections 194.03 (title), (1), (2),
2 and (6) and 194.20 (title) and (1) of the statutes and SECTION 9345 (1) of this act take
3 effect on January 1, 2014, or on the day after publication, whichever is later.

4 (2) MASS TRANSIT OPERATING AIDS.

5 (a) The treatment of section 85.20 (4m) (a) 6. e., 7. a. (by SECTION 1575), and 8.
6 a. (by SECTION 1578) and (4s) of the statutes takes effect on July 1, 2014.

7 (b) The treatment of sections 20.395 (1) (hr), (hs), (ht), (hu), and (hw) and 85.20
8 (4m) (a) 6. cm. (by SECTION 1570) and d. (by SECTION 1572) of the statutes takes effect
9 on July 1, 2015.

10 (3) TEMPORARY FUNDING FOR I 94 PROJECT. The treatment of section 20.395 (3) (bq)
11 (by SECTION 318) of the statutes takes effect on July 1, 2015.

12 **SECTION 9446. Effective dates; Treasurer.**

13 **SECTION 9447. Effective dates; University of Wisconsin Hospitals and**
14 **Clinics Authority.**

15 **SECTION 9448. Effective dates; University of Wisconsin System.**

16 **SECTION 9449. Effective dates; Veterans Affairs.**

17 **SECTION 9450. Effective dates; Wisconsin Economic Development**
18 **Corporation.**

19 (1) CAPITAL GAINS DEFERRAL, EXCLUSIONS; CERTIFICATION. The treatment of
20 sections 238.145, 238.146, and 238.20 of the statutes takes effect on January 1, 2014.

21 **SECTION 9451. Effective dates; Workforce Development.**

22 **SECTION 9452. Effective dates; Other.**

23 (END)





2013 ASSEMBLY BILL 40

02-25-2013

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SAFETY AND PROFESSIONAL SERVICES**BUILDINGS AND SAFETY**

Under current law, DSPS has various duties and powers relating to regulation of petroleum products and hazardous substances, including:

1. Prescribing grade specifications for gasoline and similar fuels and administering laws regulating the inspection and sale of those fuels and other petroleum products.

ASSEMBLY BILL 40

SECTION 9449

1 **SECTION 9449. Effective dates; Veterans Affairs.**

2 **SECTION 9450. Effective dates; Wisconsin Economic Development**
3 **Corporation.**

(1) CAPITAL GAINS DEFERRAL, EXCLUSIONS; CERTIFICATION. The treatment of sections 238.145, 238.146, and 238.20 of the statutes takes effect on January 1, 2014.

6 SECTION 9451. Effective dates; Workforce Development.

7 SECTION 9452. Effective dates; Other.

8 (END)



Barman, Mike

From: Barman, Mike
Sent: Monday, February 25, 2013 3:58 PM
To: *Legislative Reference Bureau
Cc: Renk, Jeff; Inabnet, Kay; Anderson, Terry C.; Lang, Bob; Thornton, Scott - DOA
Subject: AB 40 ... Corrected Copy

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Attachment.PDF